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C O N F I D E N T I A L SECTION 01 OF 03 AMMAN 008318

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E.O. 12958: DECL: 11/07/2016
TAGS: [ELAB](#) [ETRD](#) [GTIP](#) [KTEX](#) [BG](#) [JO](#)
SUBJECT: MINISTERS REMAIN ENGAGED ON LABOR PROBLEM;
DIFFERING VIEWS ON LONG TERM PLAN

REF: AMMAN 06886

Classified By: Ambassador David Hale for reasons 1.4 (b) and (d).

11. (C) SUMMARY: Minister of Labor (MoL) Salem and Minister of Industry and Trade (MoIT) Zu'bi offered the Ambassador varying interpretations of the labor challenges Jordan faces in the QIZ sector. Both agreed the issue needs constant attention. With both ministers, the Ambassador covered the following topics: the USAID funded short-term assessment program, the need for criminal prosecution of fair labor practice violators, the new labor law, and the labor shortage in the QIZ's. Both ministers recognize that addressing criminal prosecution and the labor shortage remain the most immediate challenges, but disagree on how to address them. Ambassador also briefed the commander of Jordan's national police on the political significance of this issue and of the importance of full enforcement of Jordan's labor laws and protections. END SUMMARY.

SHORT-TERM ASSESSMENT REVEALING UNPLEASANT TRUTHS

12. (C) In a November 2 meeting with Minister of Labor Bassem Salem, Ambassador thanked the Minister for his support for the short-term assessment project funded by USAID. Salem was pleased that the team was getting good access to factories, and that some of his inspectors were able to accompany as jointly agreed. COMMENT/NOTE: Salem was quite engaged with the work the team was doing, and was clearly aware of the five cases of alleged human rights violations, including one case of child labor, that the short-term assessment team had reported to the Ministry. As agreed to with the Ministry, the short-term assessment is a fact-finding mission. The goal is not to provide the Ministry with names of factories that have labor violations, but rather to produce a professionally-audited report of the sector that can be shared publicly. When human rights violations are discovered, they are reported to the Embassy and to the MoL for immediate action. END COMMENT/NOTE. Salem said some in his Ministry were worried that he would be upset to hear that such violations were still occurring, but he said it was "music to my ears" because it means we are moving forward on solving the problems. Salem concluded that things are

getting better for workers, but that Jordan "still has a lot of problems and some bad apples." According to Salem, "we are 70% there."

13. (C) In a meeting the same day, Ministry of Industry and Trade Sharif Zu'bi offered his continued support for the work of the short-term assessment program, but was surprised that there were human rights violations being uncovered. This led to a discussion of the importance of criminal prosecution of labor rights violation cases.

CRIMINAL PROSECUTION SLOW-GOING

14. (C) Zu'bi agreed to follow up on the Embassy's request for an update on labor rights violation cases currently in local courts, but separately criticized the MoL for not drawing on enough of the available penal code to prosecute labor rights violators. Zu'bi said that he, personally, met with the legal department of the MoL to encourage them to use the criminal code, the Anti-Slavery Law of 1929, and the Passport Law of 2003 to build a case that could be submitted to the Public Prosecutor. NOTE: Zu'bi has a law degree, and was a partner in a family law firm before he was named Minister of Industry and Trade in 2005. END NOTE. According to Zu'bi, the MoL refuses to use these laws, and believes its authority is limited to the Labor Law of 1996 which, in its interpretation, does not give it authority to unilaterally submit a criminal case for consideration.

15. (C) Salem, in effect confirming Zu'bi's critique, said that it was the responsibility of the alleged victim to file a complaint, and that his Ministry has little authority to

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take the lead on a criminal case. Salem believes responsibility for criminal prosecution lies squarely with the Ministry of Interior or with the local court systems. Asked whether his Ministry was taking any actions against labor rights violators, Salem said he had recently removed a factory operator (Note: Rainbow, Ltd) from the GOJ's Golden List after it was discovered that the operator was still committing labor violations. He had instructed his legal department to write a letter requiring the factory owner to deposit JD 75,000 (US\$ 54,000) as a bank guarantee, and also to clear all paycheck stubs for workers with the Ministry. Salem gave the factory owner two weeks to comply, and since that date has passed without compliance, he is now considering what action the MoL can take. COMMENT: While Salem clearly recognizes that the citations his Ministry gives labor rights violators do little to remedy the problem, he also does not seem to have developed a means to pursue individual bad actors aggressively while allowing good actors to continue their work. As a result, most MoL policies - such as informal bans or delays in foreign work visas - punish all the factories, rather than the select ones in violation of fair labor practices. END COMMENT.

LABOR LAW ON TRACK FOR WINTER SESSION OF PARLIAMENT

16. (C) As the champion of the draft labor law, Salem seemed optimistic that it would be introduced and passed in a timely manner in the winter session of Parliament. Salem said since receiving the draft labor law from the ILO in August 2006, he had established a number of committees to review the draft law representing different stakeholders; he re-submitted it to the ILO with small changes in October 2006. He expects ILO feedback by November 27, cabinet approval the next week, and then expects to submit it to the new session of Parliament by December 6. Salem confirmed that freedom of association for foreign workers was included in the new draft, and that he "did not see a problem with its passing" parliament. In a best-case scenario, he expected a committee review in parliament of the new labor law by the end of the calendar year.

17. (C) Zu'bi agreed that the labor law had a good chance to pass parliament. Additionally, he highlighted the fact that some industry representatives were advocating for allowing multiple unions in a sector, while the established unions were arguing that no more than one union should serve any one sector. Zu'bi did not see this debate as delaying or jeopardizing the passage of the law. COMMENT: In many sectors, the mandatory unions or associations are relatively ineffective at serving member interests. END COMMENT.

ANSWER TO LABOR SHORTAGE QUESTION VARIES

18. (C) When asked about business complaints (reftel) that the GoJ was making it difficult to bring in foreign labor, Salem readily acknowledged that he was using that strategy. While ready to meet with individual company representatives criticizing the policy, Salem said he wanted to "make it very clear that we are very keen to see more Jordanian workers in the factories and are not going to make it easy to bring in foreign workers." Salem elaborated that "by taking my time and making it tough" to get foreign worker visas, he hoped "to encourage the sector to employ Jordanians." As an example, he said that local government officials in the southern Jordanian city of Tafila had called recently and told him there were 1,700 women there looking for work. According to Salem, these workers are ideal candidates for the QIZs, and he believes the sector would now be more eager to take these workers on.

19. (C) In a discussion about the same topic with Zu'bi, however, the Ambassador received a very different perspective. In his recent meetings with the CEO of Jones NY, Inc., Ambassador Miller of G/TIP, and Ambassador Donnelly at USTR, Zu'bi said all made it clear to him that labor

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remains the sole concern, and that buyers went as far as to say they felt Jordan was "moving in the wrong direction." According to Zu'bi, "buyers are a little weary of labor problems," and want to see what "kind of long term program we have." He said he is "pushing for a five year plan that provides the industry with some certainty." Using the current visa logjam as an example, Zu'bi said "we can't be haphazard with the industry." Commenting on the argument that a primary motive for the QIZs was to create jobs for Jordanians - not foreign workers - Zu'bi responded that the QIZs alone need approximately 40,000 workers, and there aren't enough Jordanians available or interested in working in them. Zu'bi agreed that the strategy should be to bring in more Jordanians but "let's have a long term plan" for the transition.

HALE